

EXHIBIT A

ORDINANCE NO. 3117

AN ORDINANCE OF THE BOARD OF SUPERVISORS OF THE COUNTY OF SAN LUIS  
OBISPO ADOPTING AND IMPOSING A TEMPORARY MORATORIUM ON  
MOBILEHOME PARK CONVERSION OR CLOSURE

The Board of Supervisors of the County of San Luis Obispo, State of California, ordains  
as follows:

SECTION 1: This ordinance is adopted pursuant to Government Code section 65858. The  
purpose of this ordinance is to prohibit the closure or conversion of mobilehome parks within the  
unincorporated areas of the County pending enactment of permanent regulations affecting such  
conversions. The Board of Supervisors does hereby find, determine and declare as follows:

- a. There are 40 existing mobilehome parks in the unincorporated areas of the County, with a total of over 2,600 spaces. These mobilehome parks provide permanent, affordable housing for a large number of people, particularly many of the more vulnerable citizens of the County. These citizens include low income working families and seniors on fixed incomes who have developed a supportive network within their mobilehome parks.
- b. The County's Housing Element of its General Plan states that existing mobilehome parks comprise much of the County's affordable housing.
- c. The Housing Element provides the overall housing goal of achieving an adequate supply of safe and decent housing that is affordable to all residents of the County.
- d. Program 2:3 of the Housing Element directs the County to prepare an ordinance addressing proposals to convert mobilehome parks, including mitigation of impacts to existing residents.
- e. The County recently received a subdivision application for one mobilehome park (to convert Rancho Colina into a condominium/resident ownership mobilehome park). Pre-application meetings have been held regarding the conversion or closure of two other mobilehome parks (Sweet Springs and Hidden Hills mobilehome parks). In addition, mobilehome parks have been closed incrementally when park owners gradually buy out all the residential units as they come up for sale on the real estate market.
- f. No new mobilehome parks have been built within the County for ten or more years, and the existing mobilehome parks are at or close to full occupancy. There are few or no vacant spaces available for displaced residents to move to in the County or its incorporated cities if an existing mobilehome park should close.
- g. Land values in the County have risen substantially in the past ten years, so there are few large, level vacant parcels of residentially zoned land in the urban areas of the County that are suitable for development of new mobilehome parks. Urban areas are desirable to mobilehome park residents because of the close proximity of shopping, medical services, jobs and schools.

C-1

- h. At public hearings regarding a draft mobilehome park conversion ordinance, testimony was received from a large number of mobilehome park residents who fear the closure of mobilehome parks and the loss of their homes. These residents fear the loss permanent housing that they can afford, and loss of the real estate equity of their units.
- i. At public hearings regarding a draft mobilehome park conversion ordinance, testimony was received from mobilehome park owners who say that unless their mobilehome park is profitable there is no incentive for them to maintain or keep their mobilehome parks. These park owners say that the County's voter-approved mobilehome park rent stabilization ordinance has significantly impacted the profitability of their mobilehome parks.
- j. During the period of the interim (urgency) ordinance the County's Planning and Building Department will continue its efforts to build consensus among the affected parties and to prepare the following regulations for consideration by the Board of Supervisors:
  - 1. A permanent mobilehome park conversion ordinance that requires financial compensation for displaced mobilehome unit owners.
  - 2. A strategy that promotes residential ownership of mobilehome parks. The use of the available government funding programs will be considered.
  - 3. Revision of the mobilehome park development standards to encourage construction of new mobilehome/manufactured home communities.
  - 4. A general plan amendment package that will create a new mobilehome park/residential land use category (zone).
  - 5. Regarding the subdivision of a rental mobilehome park into a condominium/residential ownership mobilehome park pursuant to Government Code Section 66427.5, the Planning Department will prepare and present to the Board of Supervisors for consideration:
    - i. Regulation of the form, content and use of the survey of support required by Subsection (d) of Government Code Section 66427.5;
    - ii. Standards to ensure that conversions of mobilehome parks to residential ownership are "bona fide resident conversions" in accordance with Section 2 of Chapter 1142 of California Statutes of 2002;
    - iii. Standards for application of existing land use regulations, including but not limited to, County mobilehome park standards;
    - iv. Local incentives for voluntary protection of affordable housing within mobilehome parks.
- k. While state law establishes parameters for the conversion/subdivision of a rental mobilehome park to residential ownership under the Subdivision Map Act, it appears to permit some level of local regulation. Local regulation, in fact, may be essential to avoid the current and immediate loss of a significant portion of the County's critical affordable housing stock and to thereby protect the public health, safety and welfare.
- l. It is in the interest of the County of San Luis Obispo, of owners and residents of mobilehome parks, and of the community as a whole to consider regulations to protect affordable housing within mobilehome parks while providing incentives

that encourage the ongoing use of existing mobilehome parks and opportunities for the development of new mobilehome parks. The adoption of a temporary moratorium is necessary to provide staff sufficient time to complete its research and make a recommendation on whether and how to regulate mobilehome park closures or conversions.

- m. If a temporary moratorium is not immediately imposed, then the County will face the potential threat of mobilehome park closures and subsequent loss of affordable housing without an ordinance to address the closure of existing mobilehome parks or financial compensation of displaced mobilehome park residents.

SECTION 2: Based on the preceding findings and notwithstanding any other provisions of the Land Use Ordinance, Title 22 of the County Code and the Coastal Zone Land Use Ordinance, Title 23 of the County Code, there shall be no further approvals of development permits or other entitlements allowing the conversion or closure or subdivision of all or any part of an existing mobilehome park within the County of San Luis Obispo under the provisions of Title 22, Chapter 22.30.440 or Title 23, Chapter 23.08.164. The only exceptions to this moratorium shall be for those development permit or other entitlement applications for conversion or closure of all or part of an existing mobilehome park when the Department of Planning and Building has determined, prior to acceptance of the application, that the subject mobilehome park meets one or more of the following criteria:

1. The on-going use and operation of the mobilehome park is critically and unavoidably impaired by a health and safety condition (i.e., failing, irreparable infrastructure system).
2. The cost and expenses directly related to the continuous operation and upkeep of the mobilehome park are causing a severe and untenable financial hardship for the mobilehome park owner. Prior to submittal of an exception request regarding financial hardship to the Department of Planning and Building, a rent-increase request shall have first been considered by the Mobilehome Rent Review Board pursuant to Title 25 of the San Luis Obispo County Code. A financial hardship exception request shall be fully documented, to the satisfaction of the Director of Planning and Building. The documentation shall include, at a minimum, a statement of profit and loss from the operations of the mobilehome park for the previous five year period immediately prior to the date of the application as certified by a certified public accountant (such statements shall be maintained in confidence to the extent allowed by the California Public Records Act), a statement by a California licensed general contractor that provides an estimate of the cost of the repairs and improvements that must be made to maintain the mobilehome park in a decent, safe, and sanitary condition, and an estimate of the value of the mobilehome park plus the market value and the relocation costs of the individual mobilehome units by a California licensed real estate appraiser experienced in mobilehome appraisal practices.
3. A court of competent jurisdiction has determined in connection with a proceeding in bankruptcy that the closure of the mobilehome park is necessary.
4. The conversion or closure of the mobilehome park will replace the existing number of residential units in the mobilehome park that are occupied by very low, low and/or moderate income households with an equivalent number or greater number of residential

units that are affordable to the same number of households in each income group. The replacement residential units shall be located on-site or within the same community, and shall be available for occupancy within one year of the removal of the existing affordable units. Affordability of the units shall be secured in a manner acceptable to the Director of Planning and Building.

5. The application to subdivide all or part of an existing mobilehome park was initiated, pursuant to the state and/or county subdivision map process, on or before November 9, 2006, in order to subdivide a rental mobilehome park into a resident owned mobilehome park pursuant to Government Code 66427.5.
6. The mobilehome park is specifically the Port San Luis Trailer Park, which is owned and operated by the Port San Luis Harbor District, and is scheduled for eventual closure pursuant to the California Harbors and Navigation Code Section 6086.

SECTION 3: This ordinance shall remain in effect for a period not to exceed 22 months and 15 days from today's date, until February 12, 2009, or until this ordinance is superseded and replaced by another ordinance duly adopted by the Board of Supervisors.

SECTION 4: During the period this ordinance remains in effect, the provisions of this ordinance shall govern. If there is any conflict between the provisions of this ordinance and any provision of the San Luis Obispo County Code, or any County ordinance, resolution or policy, the provisions of this ordinance shall control.

SECTION 5: If any section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid or unconstitutional by the decision of a court of competent jurisdiction, such decision shall not affect the validity or the constitutionality of the remaining portions of this ordinance. The Board of Supervisors hereby declares that it would have passed this ordinance and each section, subsection, sentence, clause or phrase thereof irrespective of the fact that any one or more sections, subsections, sentences, clauses or phrases be declared invalid or unconstitutional.

SECTION 6: This ordinance is an ordinance for the immediate preservation of the public health, safety and welfare and shall take effect immediately in accordance with Section 65858 of the Government Code of the State of California. Before the passage of 15 days after adoption of this ordinance, it shall be published with the names of the Board of Supervisors members voting for and against same, once in a newspaper of general circulation published in the County of San Luis Obispo, State of California.

SECTION 7: At least ten days prior to the expiration period provided for in Section 3 above, the Board of Supervisors shall issue a written report describing any measures taken to alleviate those conditions herein referenced which lead to the adoption of this ordinance.

SECTION 8: The adoption of this interim ordinance is statutorily exempt from the California Environmental Quality Act ("CEQA") pursuant to section 15262 of the State CEQA Guidelines because it can be seen with certainty that there is no possibility that such adoption may have significant effect on the environment; such adoption involves only feasibility and planning studies for possible future adoption of an ordinance that has not yet been prepared or adopted.

**INTRODUCED, PASSED and ADOPTED** at a regular meeting of the Board of Supervisors, County of San Luis Obispo, State of California, held on the 27th day of March, 2007, on the following roll call vote, to wit:

AYES: Supervisors Bruce S. Gibson, K.H. 'Katcho' Achadjian, Harry L. Ovitt,  
James R. Patterson, Chairperson Jerry Lenthall

NOES: None

ABSENT: None

ABSTAINING: None

**JERRY LENTHALL**

\_\_\_\_\_  
Chairperson of the Board of Supervisors  
County of San Luis Obispo  
State of California

ATTEST:

JULIE L. RODEWALD

County Clerk and Ex-Officio Clerk of the  
Board of Supervisors, County of San Luis Obispo,  
State of California

By: **C.M. CHRISTENSEN**  
Deputy Clerk

[SEAL]

C-1

ORDINANCE CODE PROVISION APPPROVED  
AS TO FORM AND CODIFICATION:

JAMES B. LINDHOLM, JR.

County Counsel

By: 

Deputy County Counsel

Dated: 3.16.07